



Capital One, N.A. 973-439-7668
710 Route 46E, Suite 306
Fairfield, NJ 07403

June 10, 2009

VIA FEDERAL EXPRESS

Lehman Brothers Holdings, Inc.
745 Seventh Avenue
New York, New York 10019
Attn: Bryan P. Marsal
Chief Restructuring Officer

Re: (i) \$24,100,000 First Mortgage Loan (the "First Mortgage Loan") made by Capital One, N.A., successor by merger to North Fork Bank ("Lender"), to New Central Avenue, LLC ("Borrower"); (ii) \$43,100,000 Building Loan (the "Building Loan") made by Lender to Borrower and (iii) \$9,200,000 Project Loan (the "Project Loan"; together with the First Mortgage Loan and the Building Loan, the "Loans") made by Lender to Borrower

Dear Mr. Marsal:

Reference is made to the following documents in connection with the Loans:

1. First Mortgage Note dated July 12, 2007 made by Borrower in favor of Lender in the original principal amount of \$24,100,000 (as amended, restated, supplemented or otherwise modified, the "First Mortgage Note").
2. First Mortgage dated July 12, 2007 made by Borrower in favor of Lender, as amended by that certain Modification Agreement (First Mortgage) dated January 24, 2008 (as amended, the "First Mortgage").
3. Building Loan Mortgage Note dated July 12, 2007 made by Borrower in favor of Lender in the original principal amount of \$43,100,000 (as amended, restated, supplemented or otherwise modified, the "Building Loan Note").
4. Building Loan Mortgage, dated July 12, 2007, made by Borrower in favor of Lender, as amended by that certain Modification Agreement (Building Loan Mortgage) dated January 24, 2008 (as amended, the "Building Loan Mortgage").
5. Building Loan Agreement dated July 12, 2007 between Borrower and Lender, as amended by that certain Modification Agreement (Building Loan Agreement) dated January 24, 2008 (as amended, the "Building Loan Agreement").
6. Project Loan Mortgage Note dated July 12, 2007 made by Borrower in favor of Lender in the original principal amount of \$9,200,000 (as amended, restated, supplemented or otherwise

modified, the "Project Loan Note"; together with the First Mortgage Note and the Building Loan Note, the "Notes").

7. Project Loan Mortgage dated July 12, 2007 made by Borrower in favor of Lender, as amended by that certain Modification Agreement (Project Loan Mortgage) dated January 24, 2008 (as amended, the "Project Loan Mortgage"; together with the First Mortgage and the Building Loan Mortgage, the "Notes").

8. Project Loan Agreement dated July 12, 2007 between Borrower and Lender, as amended by that certain Modification Agreement (Project Loan Agreement) dated January 24, 2008 (as amended, the "Project Loan Agreement").

The Notes, the Mortgages, the Building Loan Agreement, the Project Loan Agreement and any and all other documents, agreements, instruments, modifications, affirmations and certifications executed and delivered in connection with the Loans are hereinafter collectively referred to as the "Loan Documents".

Reference is also made to that certain Intercreditor Agreement between the Lender and Lehman Brothers Holdings, Inc. (the "Mezzanine Lender"), dated January 24, 2008 (the "Intercreditor Agreement").

Enclosed is a copy of a letter dated June 10, 2009 (the "Notice of Acceleration") from the Lender to the Borrower wherein the Borrower was notified that (i) Events of Default have occurred and are continuing under the Loan Documents (including, without limitation those identified in the Notice of Acceleration) and (ii) all obligations under the First Mortgage Loan and under the Project Loan currently outstanding are immediately due and payable together with all other amounts under the Loan Documents.

The Lender hereby gives notice to the Mezzanine Lender of the Notice of Acceleration.

All rights and remedies accorded the Lender under the Intercreditor Agreement and by applicable law are hereby expressly reserved.

Very truly yours,

CAPITAL ONE, N.A.

By: 

Name: Peter G. Mace

Title: Senior Vice President

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cc:

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Attention: Carmine Visone

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